



Agenda Date: 8/29/01

Agenda Item: 2D

## **STATE OF NEW JERSEY**

### **Board of Public Utilities**

*Two Gateway Center*

*Newark, NJ 07102*

### ENERGY

I/M/O the Electric Discount and Energy )  
Competition Act of 1999 – Customer ) ORDER APPROVING WORKING GROUP  
Account Services ) RECOMMENDATIONS REGARDING  
) UTILITY BILLING ENHANCEMENTS  
) Docket No. EX99090676

(SERVICE LIST ATTACHED)

#### BY THE BOARD:

On February 9, 1999, Governor Whitman signed into law the Electric Discount and Energy Competition Act ("EDECA" or "Act"), N.J.S.A. 48:3-49 et seq. Among other things, the Act required that the New Jersey Board of Public Utilities ("Board"), by Order, provide that electric and natural gas customers be given the opportunity to choose a supplier for some or all electric or natural gas customer accounts services not later than one year from the starting date of retail competition, N.J.S.A. 48:3-54. The Act defines Customer Account Services ("CAS") as "metering, billing, or such other administrative activity associated with maintaining a customer account." N.J.S.A. 48:3-51.

By Order dated December 6, 2000, the Board approved a CAS Stipulation involving the New Jersey Natural Gas Company ("NJNG") service territory. By Order dated December 22, 2000, the Board approved CAS Stipulations involving the Conectiv Power Delivery (Conectiv), GPU Energy ("GPU"), and Public Service Electric & Gas Company ("PSE&G") service territories<sup>1</sup>. By Order dated May 9, 2001, the Board approved a similar stipulation affecting Rockland Electric Company ("RECO"). There is currently an Elizabethtown Gas Company ("Elizabethtown") CAS Stipulation pending before the Board.

As part of the Board approved Customer Account Services (CAS) Stipulations, the parties agreed to the creation of a CAS Implementation Working Group (Working Group) to "...facilitate the implementation of the services contained in the Stipulation". The Working Group met on several occasions during 2001 to discuss the issues, procedures and protocols required for improved utility billing, consolidated supplier billing, purchase of receivables by the billing party and improved Electronic Data Interchange ("EDI") processes. Working Group meetings have been open to all interested parties and have been noticed on a list server used by electric industry working groups for the past two years and on a Gas Implementation Working Group Service List. The parties actively participating in and attending the Working Group meetings to discuss CAS implementation issues included the four electric utilities, the four gas utilities, the Division of the Ratepayer Advocate, Enron, the New Power Company and Shell Energy Services.

<sup>1</sup> An amended Order approving the Conectiv, GPU and PSE&G CAS Stipulations was issued on March 1, 2001.

As a result of these meetings, the Working Group developed a CAS Implementation Issues document, which addresses the transition to enhanced utility billing for the electric industry. The Working Group also developed a New Jersey Retail Choice Internet EDI Plan for Electric and Gas (Internet Plan) that addresses the transition from Value Added Networks (VANs) to the Internet as the communications medium for EDI transactions for both the natural gas and electric industries. On August 8, 2001, Board Staff circulated the Internet Plan to a gas industry electronic service list and via a list server that electric working groups have used for the past two years for rapid distribution of documents, meeting notices and other electric industry-related information, and requested that any comments on the documents be provided by August 15, 2001. The CAS Implementation Issues document was circulated at the same time via the electric list server. The parties actively participating in the Working Group process and the other parties on the list server and the natural gas service list have not indicated any opposition to these documents.

### CAS Implementation Issues

At the current time, Conectiv, GPU, PSE&G and RECO provide utility consolidated billing as an option for customers who have switched to licensed suppliers. As part of the CAS Stipulations, the electric utilities agreed to provide certain enhancements to utility consolidated billing and agreed that they would purchase the non-billing party's receivables. The CAS Implementation Issues document addresses issues that need to be resolved in order to implement utility consolidated billing enhancements in the CAS Orders. Among the issues addressed by the CAS Implementation Issues document are: 1) how EDI testing will be accomplished; 2) how supplier balances will be handled in the transition period; 3) how disputed charges will be handled; 4) when non-billing parties are paid; 5) customer creditworthiness; 6) utility bill format; 7) TPS logos on utility bills; 8) the timeline for testing of new EDI functionalities; and 9) the timeline for the complete transition process. The procedures for addressing each of these areas are described in detail in the attached NJ CAS Implementation Issues document.

### Internet Plan

The Working Group, after considering the utility consolidated billing enhancements, included in the CAS Stipulations, decided that a move from VANs to the Internet was its next priority. Since 1999, when electric competition began and EDI protocols were implemented to enroll and bill customers, the electric industry has used VANs as the communications exchange medium for EDI transactions. VANs function as a type of mailbox where sending parties drop off data and receiving parties pick up data. VANs charge both the sending and receiving parties for this service. Since 1998, EDI Working Group participants have discussed moving to the Internet and have previously indicated to the Board that this change was likely (Order dated November 4, 1998, Docket Nos. EX94120585Y et al.). In 2000, the State of Pennsylvania transitioned to an Internet-based process. GPU Energy and many of New Jersey's licensed electric suppliers were part of the Pennsylvania process and are familiar with its operation.

Included in the Internet Plan is: 1) the migration plan from VANs to the Internet; 2) the assumptions around which use of the Internet will be based; 3) a protocol for Internet transmission failures; and 4) an Internet EDI Test Plan.

After considering the NJ CAS Implementation Issues document and the Internet Plan provided by the Working Group, the Board FINDS that:

1. the NJ CAS Implementation Issues document and the Internet Plan are consistent with the Board approved CAS Stipulations;
2. the NJ CAS Implementation Issues document and the Internet Plan have been discussed and developed in a Working Group environment open to all interested participants; and
3. there is no known opposition to these documents.

For the foregoing reasons, the Board APPROVES the New Jersey Retail Choice Internet EDI Plan for Electric and Gas and the procedures in the NJ CAS Implementation Issues document for the electric industry. These documents are attached to and made a part of this Order.

DATED: August 29, 2001

BOARD OF PUBLIC UTILITIES  
BY:

SIGNED

CONNIE O. HUGHES  
ACTING PRESIDENT

SIGNED

FREDERICK F. BUTLER  
COMMISSIONER

SIGNED

CAROL J. MURPHY  
COMMISSIONER

ATTEST: SIGNED

FRANCES L. SMITH  
SECRETARY